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RECORDATION NO. 10619 A Filed 1425

JUL 15 1980 - 10 50 AM

INTERSTATE COMMERCE COMMISSION
OF COUNSEL
ROGER M. PHILLIPS

, 1980

0-197A021

No.

JUL 15 1980

Date

Fee \$

10.00

ICC Washington, D. C.

Mrs. Mildred Lee
Interstate Commerce Commission
12th & Constitutional Avenue, N.W.
Room 2303
Washington, D.C. 20423

Re: Amendment to Lease Agreement
by and between Missouri Public
Service Company and Connell
Leasing Company

Dear Mrs. Lee:

In accordance with the filing requirements of the Interstate Commerce Commission, and in accordance with our telephone conversations concerning an amendment to be filed to an earlier-filed lease, I submit the following information with regard to the lease of twenty (20) coal hopper cars from Connell Leasing Company, a Division of Connell Rice & Sugar Co., Inc. to Missouri Public Service Company. Missouri Public Service Company is a public utility serving customers in the western portion of the State of Missouri.

The information required by the Interstate Commerce Commission is as follows:

1. The names and addresses of the parties to the Equipment Lease:

Connell Leasing Company, a Division of
Connell Rice & Sugar Co., Inc. (Owner-
Lessor)

Missouri Public Service Company
10700 East 350 Highway
Kansas City, Missouri 64138.

RECEIVED
JUL 15 10 42 AM '80
I.C.C.
FEE OPERATION BR.

Mrs. Mildred Lee

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2. A general description of the cars involved
(including any letter designations):

Twenty (20) 100-ton steel hopper cars
bearing road numbers MPSX 1101 to MPSX
1120, both inclusive.

3. A general description of the transaction
involved:

This is an amendment to an Equipment Lease wherein Connell Leasing Company, a Division of Connell Rice & Sugar Co., Inc., a New Jersey corporation, will purchase and own the equipment and lease the same for a ten-year period to Missouri Public Service Company, a Missouri corporation and public utility operating in western Missouri. Originally, Missouri Public Service Company leased fifteen (15) coal cars from Connell Leasing Company under a lease which was recorded in your office under Recordation No. 10619 filed July 9, 1979 at 10:00 a.m. Like the original lease, Missouri Public Service Company has an option to renew the lease of the additional twenty (20) coal cars after the ten-year period at the fair market rental value at that time.

You advised me and I am therefore enclosing a check in the amount of Ten Dollars (\$10.00) for the filing fee made payable to the Interstate Commerce Commission as well as two (2) copies of Amendment No. 1 (dated as of May 15, 1980) to Equipment Lease between Connell Leasing Company, a Division of Connell Rice & Sugar Co., Inc. and Missouri Public Service Company for recording.

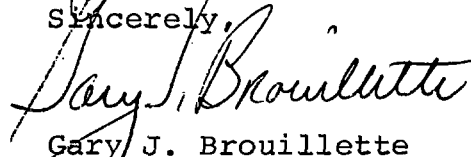
I will advise you when to file and record the Amendment No. 1 to the Equipment Lease. In turn, I request that you advise Mr. Frank Dickerson, Esquire, at Room 2060, Martin Tower, Bethlehem, Pennsylvania, 18016, whose telephone number is (215) 694-2787 at Bethlehem Steel Corporation, the manufacturer of the coal cars, so that he, in turn, can authorize the release and delivery of the cars to an agent for Missouri Public Service Company.

Mrs. Mildred Lee

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If you should have any questions, please contact me
at your earliest convenience.

Sincerely,



Gary J. Brouillette

cc: Connell Leasing Company, a
Division of Connell Rice &
Sugar Co., Inc.
Attention: Alan Newmark

Bethlehem Steel Corporation
Attention: Frank Dickerson

Mr. Richard C. Green
President & General Manager
Missouri Public Service Company

Mr. John R. Baker
Executive Vice President
Missouri Public Service Company

Mr. Kelly Williams
Vice President - Finance
Missouri Public Service Company

Enclosures

GJB/nw

Interstate Commerce Commission
Washington, D.C. 20423

7/15/80

OFFICE OF THE SECRETARY

Gary J. Brouillette, Atty.
2500 City Center Square
1100 Main
Kansas City, Missouri 64105

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **7/15/80** at **10:50am**, and assigned recordation number(s). **10619-A**

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 10619 A Filed 1425

JUL 15 1980 - 10 50 AM

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 1
(DATED AS OF MAY 15, 1980)
TO EQUIPMENT LEASE BETWEEN
CONNELL LEASING COMPANY
A DIVISION OF CONNELL RICE
& SUGAR CO., INC.
AND
MISSOURI PUBLIC SERVICE COMPANY

In order to accommodate the inclusion of twenty additional Units under the Equipment Lease, dated as of April 2, 1979, the following changes are hereby incorporated in that Equipment Lease as Amendment No. 1. The term "Lease" shall mean the Equipment Lease and, unless the context otherwise indicates, this and each subsequent amendment.

1. Section 1.1 is deleted and the following substituted therefor:

1.1. Intent to Lease and Hire. The Lessor is acquiring certain equipment (collectively the "Equipment" or "Items" and individually "Item of Equipment" or "Item") described in Schedule A attached hereto and made a part hereof, or in any Schedule A attached to any amendment to the Lease and made a part thereof and, upon delivery of each Item of Equipment by BETHLEHEM STEEL CORPORATION as manufacturer thereof (hereinafter referred to as the "Manufacturer"), the Lessee shall lease and let such Item of Equipment from the Lessor for the rental and on and subject to the terms and conditions herein set forth. The Lessor and the Lessee have entered into Purchase Order Assignments, dated as of April 2, 1979 and May 15, 1980, respectively (each a "Purchase Order Assignment" and collectively "Purchase Order Assignments") setting forth the understanding and agreement of the Lessor and the Lessee as to the arrangements for payment by the Lessor of the cost of purchase of said Equipment covered thereby.

2. In paragraph 1.2, Delivery and Acceptance of Items, and in paragraph 4.2, Duty to Number and Mark Equipment, the words "the relevant" shall be inserted immediately preceding the words "Schedule A" whenever it appears.

3. Section 1.3 is deleted and the following substituted therefor:

1.3. Lessee's Satisfaction with Equipment; Conformance with Specifications and Requirements.

The Lessee's execution and delivery to the Lessor and the Manufacturer of a Certificate of Acceptance with respect to each Item of Equipment shall conclusively establish that such Item of Equipment is acceptable to and accepted by the Lessee under this Lease or any amendment hereto, notwithstanding any defect with respect to design, manufacture, condition or in any other respect, and that such Item of Equipment is in good order and condition and appears to conform to the specifications applicable thereto and to all applicable United States Department of Transportation and Interstate Commerce Commission requirements and specifications, if any, and to all standards recommended by the Association of American Railroads applicable to new railroad equipment of the character of the Equipment as of the date of this Lease or any amendment hereto. By execution and delivery of such Certificate of Acceptance, the Lessee represents that it has no knowledge of any such defect.

4. Subsections (a) and (b) of Section 2.1 are hereby deleted and the following substituted therefor:

(a) Interim Rental. For each Item of Equipment delivered on or before July 17, 1979, an amount per day (the "Interim Rental") equal to .03448% times the Purchase Price thereof and hereinafter referred to as the "Purchase Price" (as defined in the relevant Purchase Order Assignment) for the period, if any, from the Closing Date (as defined in the relevant Purchase Order Assignment) for such Item to, but not including August 1, 1979. For each Item of Equipment delivered in 1980 and on or before July 31, 1980, an amount per day (the "Interim Rental") equal to .04444% times the Purchase Price thereof for the period, if any, from the Closing Date for such Item to, but not including August 1, 1980. The "Term Lease Commencement Date" shall mean August 1, 1979, or August 1, 1980, whichever shall be relevant and the term "Interim Rental" shall mean that relevant amount of rent as provided in this Subsection (a).

(b) Fixed Rental. For each Item of Equipment leased hereunder, forty (40) consecutive quarterly

installments of rental (the "Fixed Rental"), payable in arrears, each in the amount equal to 3.10304% of the Purchase Price of the Equipment delivered on or prior to July 17, 1979, and 4.000% of the Purchase Price of the Equipment delivered in 1980, but on or before July 31, 1980.

5. Section 2.2, Adjustment of Rentals, is hereby deleted and the following substituted therefor:

2.2. Adjustment of Rentals. In determining the amount of each installment of Fixed Rental Payable pursuant to Section 2.1(b) hereof, the Lessor and the Lessee have assumed that under no circumstances will any Item of Equipment be delivered and accepted hereunder later than its outside delivery date set forth in the relevant Schedule A, July 17, 1979 or July 31, 1980, as the case may be. In the event that any Item of Equipment required to be delivered on or prior to July 17, 1979 or July 31, 1980, as the case may be, shall fail to be delivered and accepted hereunder on or prior to the relevant outside delivery dates of July 17, 1979 or July 31, 1980, whichever is applicable, the Lessee and the Lessor agree that each of the unpaid installments of Fixed Rental and the Casualty Values relevant to such Item of Equipment (as defined in Section 11.6 hereof) shall be adjusted to an amount as shall, in the reasonable opinion of the Lessor, cause the Lessor's after-tax economic yields and cash flows (computed on the same assumptions, including tax rates, as were utilized by the Lessor in originally evaluating this transaction) to equal the after-tax economic yields and cash flows that would have been realized by the Lessor if the Item of Equipment had been delivered and accepted hereunder on or prior to the relevant outside delivery dates of July 17, 1979 or July 31, 1980, whichever is applicable.

6. Section 2.3, Rental Payment Dates, is deleted and the following substituted therefor:

2.3. Rental Payment Dates. The installment of Interim Rental for each Item of Equipment shall be due and payable on the Term Lease Commencement Date. The installments of Fixed Rental for each Item of Equipment shall be due and payable on November 1, 1979 as to Equipment having an outside delivery date of July 17, 1979, and November 1, 1980, as to Equipment having an outside delivery date of July 31,

1980, and on the first day of each February, May, August and November thereafter to and including August 1, 1989 or August 1, 1990, respectively. If any of the rent payment dates is not a business day, the rent payment otherwise payable on such date shall be payable on the next succeeding business day. For purposes of this Lease, the term "business day" means calendar days, excluding Saturdays, Sundays and holidays on which banks in the State of Missouri are authorized or required to close.

7. Section 3, Term of the Lease, is hereby deleted and the following substituted therefor:

The term of this Lease as to each Item of Equipment shall begin on the date of the delivery to and acceptance by the Lessee of such Item of Equipment and, subject to the provisions of Sections 11 and 18 hereof, shall terminate (as to Equipment having a stated outside delivery date of July 17, 1979) on July 31, 1989 and (as to Equipment having a stated outside delivery date of July 31, 1980) on July 31, 1990.

8. Subparagraph (vi) of Section 6.1(c) is hereby amended to read as follows:

(vi) prior to the date of payment in full of the Purchase Price, as defined in the Purchase Order Assignments referred to and defined hereinabove, of the Equipment, the rights of the Manufacturer to receive their respective portions of the payment therefor.

9. The Schedule of Casualty Value referred to in Section 11.6 and the term "Schedule C" shall be and mean the appropriate Schedule C attached to the Lease or, in the cases of additional Items of Equipment, attached to the relevant amendment to the Lease.

10. Section 12.1 is deleted and the following substituted therefor:

12.1. Duty of Lessee to Furnish. On or before May 31 in each year, commencing with the year 1980 with regard to the April 2, 1979 Purchase Order Assignment and commencing with the year 1981 with regard to the May 15, 1980 Purchase Order Assignment, the Lessee will furnish to the Lessor an accurate statement, as of the preceding December 31

(a) showing the amount, description and numbers of the Items of Equipment then leased hereunder, the amount, description and numbers of all Items of Equipment that may have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Lease, in the case of the first such statement), and such other information regarding the condition or repair of the Equipment as the Lessor may reasonably request, and (b) stating that, in the case of all Equipment repainted during the period covered by such statement, the markings required by Section 4.2 hereof shall have been preserved or replaced.

11. Subparagraphs (c) and (d) of Section 14.1 is hereby amended to insert an "s" at the end of the word Assignment wherever the word appears, so that the reference will be to "Purchase Order Assignments".

12. The last word ("Assignment") in Section 16 is hereby amended to "Assignments".

13. The first sentence in Subsection (a) of Section 18.1, Renewal Options, is hereby deleted and the following substituted therefor:

(a) The Lessee shall have the option to renew and extend this Lease as to all, but not less than all, of (i) the Items having a stated outside delivery date of July 17, 1979, then leased hereunder, and/or (ii) the Items having a stated outside delivery date of July 31, 1980, then leased hereunder, for ten (10) additional renewal terms of one year beyond the relevant expiration date each upon and subject to the terms and conditions herein contained for the original term of this Lease; provided that the quarterly Fixed Rental payable for and during any such renewal term shall be an amount equal to the Fair Rental Value (as hereinafter defined) of such Items of Equipment at the time of such renewal.

14. Subparagraph (iii) of Section 20(a) is deleted and the following substituted therefor:

(iii) The entire Purchase Price of the Items with an outside delivery date of July 31, 1979 qualifies for the full 10% investment tax credit (the "Investment Credit") allowed under Section 38 and related Sections of the Internal Revenue Code of 1954, as amended (the "Code");

15. Clauses (B) and (C) in the fourth paragraph of Section 20(b) are hereby deleted and the following substituted therefor:

(B) an amendment to the tax law (including, without limitation, any change in the income tax rates under Federal or any applicable state law from those in effect on January 26, 1979) which is adopted on or prior to August 1, 1979, as to Items having a stated final delivery date of July 17, 1979 and adopted on or prior to August 1, 1980, as to Items having a stated final delivery date of July 31, 1980.

(C) an amendment to the tax law (including, without limitation, any change to the income tax law (including, without limitation, any change to the income tax rates under Federal or any applicable state law from those in effect on January 26, 1979) which is adopted subsequent to August 1, 1979 if the effective date thereof shall be on or prior to August 1, 1979 or August 1, 1980, respectively.

16. The first sentence in the sixth paragraph of Section 20(b) is modified to read as follows:

The Lessee acknowledges that each of the Schedules of Casualty Value, being Schedule C to the Lease, has been computed on the assumption that the Lessor shall be entitled to all such Tax Benefits.

17. Subparagraphs (iii) and (iv) immediately following the seventh, unnumbered paragraph of Section 20(b) (said subparagraphs contained on page 29 of the original Lease) are deleted and the following substituted therefor:

(iii) the failure of the Lessor to timely claim the Investment Credit or the Depreciation Deduction, as applicable, with respect to the Items of Equipment purchased under the April 2, 1979 Purchase Order Assignment and the failure of the Lessor to timely claim the Depreciation Deduction with respect to the Items of Equipment purchased under the May 15, 1980 Purchase Order Assignment, in its Federal income tax return for the appropriate year or the failure of the Lessor to follow proper procedure in claiming the Tax Benefits; or

(iv) the failure of the Lessor to have sufficient liability for tax against which to credit the

Investment Credit or sufficient income to benefit from the Depreciation Deduction as applicable with respect to the Items of Equipment purchased under the April 2, 1979 Purchase Order Assignment and the failure of the Lessor to have sufficient income to benefit from the Depreciation Deduction with respect to the Items of Equipment purchased under the Purchase Order Assignment of May 15, 1980.

18. The references to "Purchase Order Assignment" contained in subparagraphs (a), (d), (e), (g) and (k) of Section 21.1 are hereby amended to read "Purchase Order Assignments".

19. Subparagraphs (b)(i) and (b)(ii) of Section 21.1 are hereby deleted and the following substituted therefor:

(b)(i) The balance sheet of the Lessee as of December 31, 1978 and December 31, 1979, respectively, and the statement of income and retained earnings for the fiscal years ended on said dates prepared and certified by Arthur Andersen & Co. and Price Waterhouse and Company, have been prepared in accordance with generally accepted accounting principles consistently applied, and present fairly the financial position of the Lessee as of such dates and the results of operations of the Lessee for such periods;

(ii) Since December 31, 1978 and December 31, 1979, respectively, there has been no material adverse change in the condition, financial or otherwise, of the Lessee as shown on the balance sheets as of such dates except changes in the ordinary course of business;

20. The Lessee reaffirms, on and as of the date hereof, the representations and warranties set forth in the third paragraph of Section 20(b) and in Section 21.

21. The reference to "Purchase Order Assignment" contained in subparagraphs (a), (b), (c) and (e) of Section 22 are hereby amended to read "Purchase Order Assignments".

22. Concurrently with the delivery and acceptance of the first Item of Equipment pursuant to this Amendment Number 1, the Lessee will deliver to the Lessor four counterparts of the written opinion of Counsel for the Lessee in accordance with the provisions of Section 22, but with such changes and modifications as shall cover this Amendment

Number 1, the relevant Purchase Order Assignment, the Equipment referred to in the Schedule A hereto, and the filing and recording of this Amendment Number 1 pursuant to Section 20(c) of the Interstate Commerce Act.

23. The address for notice to the Lessee contained in Section 23.1 is deleted and the following substituted therefor:

If to the Lessee: Missouri Public
Service Company
10700 E. 350 Highway
Kansas City, Missouri 64138
ATTENTION: Kelly Williams
Vice President-Finance


IN WITNESS WHEREOF, the parties hereto have caused this Amendment Number 1 to be executed by their respective officers thereunder duly authorized and the corporate seals to be hereto affixed as of the day and year first above written.

CONNELL LEASING COMPANY
A DIVISION OF CONNELL RICE
& SUGAR CO., INC.

(CORPORATE SEAL)

By: 
President

ATTEST:

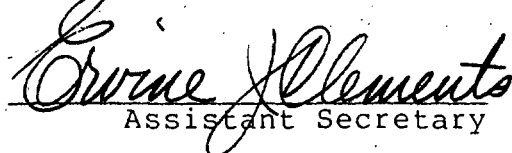

Secretary

MISSOURI PUBLIC SERVICE
COMPANY

(CORPORATE SEAL)

By: 
Vice President

ATTEST:


Assistant Secretary

STATE OF NEW JERSEY)

) ss.

COUNTY OF UNION)

On this 7th day of July, 1980, before me personally appeared Groner Connell, to me personally known, who being by me duly sworn, says that he is the President of CONNELL LEASING COMPANY, A DIVISION OF CONNELL RICE & SUGAR, CO., INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Natalie P. Junesman
Notary Public

My commission expires:

NOTARY PUBLIC OF NEW JERSEY

~~My Commission Expires Nov. 28, 1982~~

STATE OF MISSOURI)

) ss.

COUNTY OF JACKSON)

On this 11th day of July, 1980, before me personally appeared Kelly Williams, to me personally known, who being by me duly sworn, says that he is the Vice President of MISSOURI PUBLIC SERVICE COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

E. Joyce Gillihan
Notary Public E. Joyce Gillihan

My commission expires:

November 5, 1980.

MANUFACTURER: Bethlehem Steel Corporation

PLANT OF MANUFACTURE: Johnstown, Pennsylvania

DESCRIPTION OF EQUIPMENT: 20 one hundred ton steel hopper cars bearing road numbers MPSX 1101 to MPSX 1120, both inclusive

SPECIFICATIONS: 4,000 cu. ft. quadruple coal hopper

PURCHASE PRICE: \$42,900.00 per Item (\$858,000.00 for 20 Items)

PLACE OF DELIVERY:

ESTIMATED DELIVERY DATE: July, 1980

OUTSIDE DELIVERY DATE: July 31, 1980

SCHEDULE A
(to Amendment Number 1 to Equipment Lease)

MISSOURI PUBLIC SERVICE COMPANY

SCHEDULE OF CASUALTY VALUE

The Casualty Value for an Item of Equipment shall mean an amount equal to the percent of the Purchase Price of such Item set forth opposite the dates in the following schedule:

<u>Fixed Rental Payment Date on Which Casualty Value is Paid (Payment in Addition to Rent Payment)</u>	<u>Percentage of Purchase Price Payable As Casualty Value</u>
Aug. 1, 1980 (Interim Rental Pmt. Date)	106.668
November 1, 1980	107.284
February 1, 1981	106.989
May 1, 1981	106.516
August 1, 1981	106.180
November 1, 1981	105.898
February 1, 1982	105.624
May 1, 1982	105.204
August 1, 1982	104.623
November 1, 1982	103.916
February 1, 1983	103.059
May 1, 1983	102.179
August 1, 1983	101.236
November 1, 1983	100.215
February 1, 1984	98.984
May 1, 1984	97.791
August 1, 1984	96.529
November 1, 1984	95.187
February 1, 1985	93.571
May 1, 1985	92.055
August 1, 1985	90.472
November 1, 1985	88.809
February 1, 1986	86.808
May 1, 1986	84.970
August 1, 1986	83.067
November 1, 1986	81.084
February 1, 1987	78.700
May 1, 1987	76.540
August 1, 1987	74.318
November 1, 1987	72.017
February 1, 1988	69.249
May 1, 1988	66.769
August 1, 1988	64.229
November 1, 1988	61.609
February 1, 1989	58.460
May 1, 1989	55.660
August 1, 1989	52.803
November 1, 1989	49.866
February 1, 1990	46.336
May 1, 1990	43.219
August 1, 1990	40.000

SCHEDULE C
(to Amendment Number 1 to Equipment Lease)